



Copernicus Framework Partnership Agreement

Guide for Applicants

Brussels, 8 February 2017

1. What is a Framework Partnership Agreement? (1/2)

- *A FPA is long-term contractual relationship between the Commission and a third party based on an agreed work programme*
- *A Framework Partnership can be considered as a contractual “Public-Private Partnership” that does not necessarily require that partners group in a single legal entity*
- *Under a FPA, a work programme defines in generic terms the actions to be carried, which, in turn, are grouped into Specific Grant Agreements to provide the funding*

1. What is a Framework Partnership Agreement? (2/2)

In short:

A FPA is a contractual canvas that sets programmatic objectives, the governance and the scope of actions to be carried out

2. What is a SGA? (1/3)

- *A SGA is a grant agreement between the Commission and the FPA consortium to fund the individual actions*
- *These actions are contained in the work programme of the FPA Sometimes, a work programme requires an Action Plan – a long-term programmatic outlook setting the main priorities and objectives*

2. What is a SGA? (2/3)

Link between work programme and SGA

- *The work programme lists the actions to be funded and defines how they will be implemented in **generic terms** (e.g. direct implementation vs open calls; maximum budget, etc.)*
 - The work programme is established in common with the consortium, but approved by the Commission
- *The SGA defines the **specific terms** of the implementation: precise calendar, legal instruments, co-funding rate, etc. ...)*
 - The SGA is awarded by the Commission on basis of a grant proposal by the consortium

2. What is a SGA? (3/3)

In short:

The SGA is a specific grant to fund individualised actions, awarded following a proposal by the consortium and in line with a work programme (and an Action Plan)

Synoptic structure

FPA – objectives and fundamental rules

Action Plan – strategic priorities

Work Programme – actions to be funded and performance indicators

SGA – implementation

3. Why a FPA?

- *A partnership with the Copernicus States raises greater critical mass than single initiatives driven centrally by the Commission*
- *Better allocation of funds: SGAs proposals are ranked by merit and best-value for money*
- *Budget savings through co-funding*
- *Flexibility through a joint governance scheme instead of Commission led scheme*

4. Actions under the FPA (1/4)

Tier 1: national user uptake

national or local awareness events, training sessions, online courses, support to the production and procurement of space applications (e.g. by public authorities), design and dissemination of promotional material, hackathons, etc.,

4. Actions under the FPA (2/4)

Tier 2: cross border user uptake

Actions or events organised in several Member States, by increasing co-operation, joint awareness events, exchange of best practices and creation of common products and applications

4. Actions under the FPA (3/4)

Tier 3: international user uptake

Use of the existing national and European infrastructure and developing, by concrete actions, the international co-operation agreements under Copernicus. The activities should support the internationalisation of European companies offering applications based on Copernicus and space data

4. Actions under the FPA (4/4)

Tier 4: business solutions and innovative products and applications

Support to innovation businesses and start-ups, their incubation and maturity, providing them with access to finance, lifting administrative and legal barriers, sponsoring the creation of new products and applications and their intellectual property rights

4. Application process (1/4)

Application for the FPA

- 1. Pre-application: set-up of the consortium*
- 2. First stage: submission of a Vision Document which sets out the priorities, rationale and prospective outlook of the Action Plan and an outline of the Governance Scheme*
- 3. Second stage: submission of the full proposal for the Action Plan and the Governance Scheme, taking into account the evaluators' assessment during the first stage*

4. Application process (2/4)

Evaluation criteria:

- a) Consistency and feasibility of the Action Plan*
- b) Robustness and efficacy of the Governance Scheme*

4. Application process (3/4)

Application for the SGA

- 1. Commission approves the work programme and the award criteria*
- 2. Consortium submits proposals to implement the work programme: one (or more) proposals per Tier – **but all Tiers need to be covered!***

4. Application process (4/4)

- 1. Proposals will be evaluated by independent experts and ranked by order of merit*
- 2. SGAs are awarded following the ranking list and by budget availability*

In order to maximise the use of funds, a negotiation with the consortium will be opened after the ranking list is drawn: budget, co-funding rate, duration and implementation type may be modified

5. Eligibility (1/2)

FPA:

Only entities with a public-service mission are eligible to take part in the consortium that will sign the FPA

*Entities with a public-service mission include both public and private law bodies and even for-profit undertakings, provided they are recognised, **under their national law**, as having a public- service mission*

5. Eligibility (2/2)

SGA:

Direct implementation: one or more of the consortium members are identified in the work programme as beneficiaries of the grant

External implementation: the consortium needs to select an external organisation to carry out the action. Eligibility criteria are defined in the proposals for SGAs

6. Consortium agreement

- *The members of the consortium are responsible for the proper implementation of the SGAs.*
- *Partners shall agree on how they will operate and coordinate, formalised in a legally binding internal cooperation agreement*
- *This agreement is different from the FPA as it binds only the members of the consortium among themselves (the Commission is not a party to it)*

7. Governance (1/6)

- *The Commission steers the FPA, approves the work programmes, manages the budget and awards the grant agreements*
- *However, two special bodies are created to ensure the proper functioning of the FPA:*
 - **A Steering Committee**
 - **A Management Board**

8. Governance (2/6)

The Steering Committee

- *The Steering Committee is chaired by the Commission and is attended by all members of the consortium*
- *It meets once/year and makes recommendations on strategic and programmatic issues, such as the revision of the Action Plan and amendments to the work programme*

8. Governance (3/6)

The Management Board

The Management Board is composed of the coordinator of the Consortia and of Commission staff

It meets every month or whenever circumstances warrant and monitor the implementation of the SGAs, as well as the drafting of the work programmes

8. Governance (4/6)

Internal governance

The internal governance of the consortium is left entirely to its members.

They may choose to have one coordinator – or a joint coordination bureau and decide on how the voting system is structured or how the decisions are made.

These rules are part of the internal agreement (the "consortium agreement")

8. Governance (5/6)

- *The governance needs to be both effective and ensure a high representation*
- *It needs to strike a balance between voting rights and implementation*
- *It needs to establish conditions governing the access of new entities to the FPA. Such conditions will need to ensure equal treatment of potential applicants and be accessible to them in order to ensure transparency*

8. Governance (6/6)

Balance between voting rights and representation (implementation partners) - example

Distribution and maximum number of representatives of the consortium

| 5 | 3 | | 2 | | 1 |
|---------|-------------|------------|----------|-----------|------------|
| Germany | Belgium | Sweden | Finland | Slovenia | Iceland |
| France | Netherlands | Hungary | Slovakia | Latvia | Malta |
| Italy | Romania | Czech Rep. | Denmark | Lithuania | Luxembourg |
| UK | Poland | Greece | Bulgaria | Croatia | Cyprus |
| Spain | Austria | Portugal | Norway | Ireland | Estonia |

9. Budget (1/8)

This **amount** is calculated by the Commission when the payment of the balance is made in the following steps:

Step 1 — Application of the reimbursement rates to the eligible costs

Step 2 — Limit to the maximum grant amount

Step 3 — Reduction due to the no-profit rule

Step 4 — Reduction due substantial errors

If there is a profit, it will be deducted from the amount obtained following Steps 1 and 2.

9. Budget (2/8)

The following are considered **receipts**:

- a) income generated by the specific action; if the income is generated from selling equipment or other assets purchased under the SGA, the receipt is up to the amount declared as eligible under the SGA;
- b) financial contributions given by third parties to the partner [or to a linked third party] specifically to be used for the specific action, and
- c) in-kind contributions provided by third parties free of charge specifically to be used for the specific action, if they have been declared as eligible costs.

9. Budget (3/8)

The following are however not considered receipts:

- a) income generated by exploiting the specific action's results
- b) financial contributions by third parties, if they may be used to cover costs other than the eligible costs
- c) financial contributions by third parties with no obligation to repay any amount unused at the end of the period

9. Budget (4/8)

Eligible direct costs

- a) *Personnel costs*
- b) *Travel and related subsistence allowances*
- c) *Depreciation costs of equipment or other assets*
- d) *Costs of consumables and supplies*
- e) *Costs arising directly from requirements imposed by the FPA or SGA*
- f) *Costs entailed by subcontracts*
- g) *Costs of financial support to third parties*
- h) *Duties, taxes and charges paid by the partner (e.g. VAT)*

9. Budget (5/8)

Eligible indirect costs

- a) To be eligible, indirect costs of the action must represent a fair apportionment of the overall overheads of the partner.
- b) Eligible indirect costs must be declared on the basis of a flat rate of 7 % of the total eligible direct costs unless otherwise specified in the work programme (and, consequently, in the SGA)

9. Budget (6/8)

Ineligible costs

- a) *return on capital and dividends paid by a partner;*
- b) *debt and debt service charges;*
- c) *provisions for losses or debts;*
- d) *interest owed;*
- e) *doubtful debts;*
- f) *exchange losses;*
- g) *costs of transfers from the Commission charged by the bank of a partner;*
- h) *costs declared by a partner under another action receiving a grant financed from the Union budget.*
- i) *contributions in kind from third parties;*
- j) *excessive or reckless expenditure;*
- k) *deductible VAT.*

9. Budget (7/8)

Co-funding rates and share of the budget

| | Max co-funding rate | Max share of the budget ** |
|---------------|---------------------|----------------------------|
| Tier 1 | 50% | 25% |
| Tier 2 | 75% | 30% |
| Tier 3 | 75% | 15% |
| Tier 4 | 75% * | 30% |

* Up to 100%, if justified

** Indicative

9. Budget (8/8)

Remuneration

The coordinatiojn of the consortium is entitled to a 5% remuneration from the total budget

10. Specific Grant Agreement for the set-up of the FPA

- a) *Establishment of the governance and submission of the first work programme;*
- b) *Conclusion of cooperation arrangements with the entrusted entities;*
- c) *Conclusion of cooperation arrangements with the Copernicus Relays;*
- d) *Establishment of a monitoring system and tools of the achievement of the user and market uptake objectives;*
- e) *Maintaining coordination with the national authorities through appropriate mechanisms;*

The specific grant for the set-up of the FPA shall not exceed 10% of the budget and shall not include the remuneration.

11. Calendar

| Stages | Date and time or indicative period |
|--|------------------------------------|
| Publication of the call | Quarter 1 2017 |
| Deadline for submitting applications | Quarter 2 2017 |
| Evaluation period | Quarter 2 2017 |
| Information to applicants | Quarter 3 2017 |
| Signature of the Framework members of the Caroline Hershel FPA agreement | Quarter 4 2017 |
| Starting date of the action/ work programmes | Quarter 4 2017 |



Thank you!